



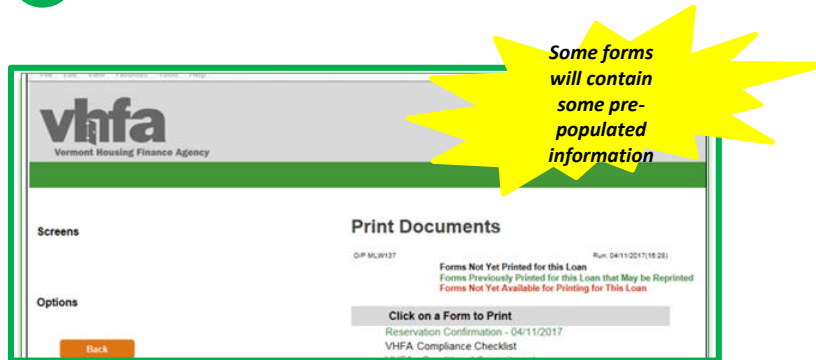
VHFA Form Completion Guide:

MCC

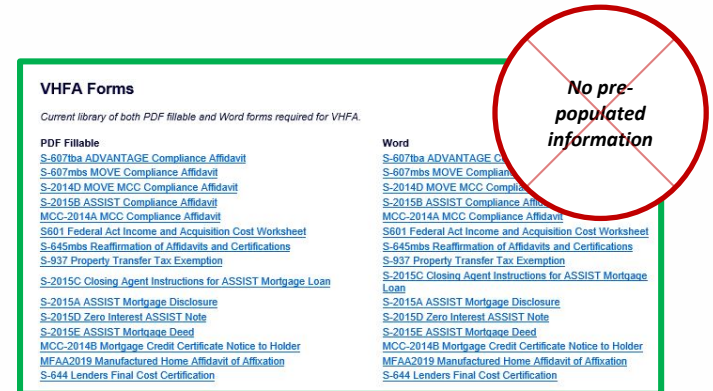
VHFA Forms Access and Overview

Forms can be accessed in 2 different places in the **Loan Origination Center**:

1 Loan Detail/Print Documents



2 Guides, Forms and Resources/VHFA Forms library



The following forms are required for a standalone MCC:

VHFA Program	Due at Compliance Submission	Due with Post-Closing Submission	Due After Closing
MCC	3 Forms <ul style="list-style-type: none"> <input type="checkbox"/> MCC Compliance Affidavit <input type="checkbox"/> Federal Act Income & Acquisition Cost Worksheet <input type="checkbox"/> Mortgagor Disclosure of Recapture Tax 	2 Forms <ul style="list-style-type: none"> <input type="checkbox"/> Reaffirmation of Affidavit <input type="checkbox"/> VT Property Transfer Tax Exemption 	0 Forms

VHFA Forms: Loan Detail/Print Documents Queue

In the Loan Origination Center/Loan Detail/Print Documents queue you can access:

- Confirmation documents listed in **green** below are the confirmation and submission documents.
- Forms listed in **black** require borrower or lender completion, and in some cases information will pre-populate.

Program	Reservation	Conditional Commitment	Post-Closing Approve
<i>Where to access documents and forms:</i>	<i>Loan Origination Center Print Documents</i>	<i>Loan Origination Center Print Documents</i>	<i>Loan Origination Center Print Documents</i>
MCC	<ul style="list-style-type: none">▪ Reservation Confirmation (MLW4005)▪ Compliance Checklist (MLW8006)▪ Federal Act Income and Acquisition Cost Worksheet (S-601)▪ MCC Compliance Affidavit (MCC-2014A)▪ Mortgagor Disclosure of Recapture Tax (5311)	<ul style="list-style-type: none">▪ Conditional Commitment (MLW8008)▪ Reaffirmation (S-645mbs)▪ Vermont Property Transfer Tax Exemption (S-937)	



VHFA Form Completion Guidance

MCC

COMPLIANCE SUBMISSION

Federal Act Income & Acquisition Cost Worksheet - Page 1 of 2

**VERMONT HOUSING FINANCE AGENCY
FEDERAL ACT INCOME and ACQUISITION COST WORKSHEET**

Borrower: **A** _____ Co-Borrower/Non-Borrowing Spouse: _____
 Property Address: _____ VHFA Loan Number: **B** _____

For all Vermont Housing Finance Agency programs, the federal act income calculation must be used. All sources of annual income for each borrower and any non-borrowing spouse must be totaled and grossed out. Annual income cannot exceed the eligible income limits for the Vermont Housing Finance Agency program selected.

Income
 Complete this section to total gross annual income for each borrower and any non-borrowing spouse:

Type of Income**	How to Calculate	Borrower	Co-Borrower or Non-Borrowing Spouse	Total Gross Annual Income
Regular Salary or Hourly Wage	Total current annual base salary or weekly base pay annualized or multiplied by 52 weeks			
Overtime, Commission, Tip or Differential	Total amount paid over the last 52 weeks, or if with this employer for less than 52 weeks use the weekly average to date multiplied by 52 weeks			
Bonus or Profit Sharing	If earned once a year, include last bonus paid or if paid multiple times in a year add total of all bonuses paid over the last 52 weeks			
Self-Employed	Net profit over the last 52 weeks (depreciation does not need to be added back)			
Military	Include base pay, any reserve pay for the last 52 weeks and any non-taxable stipends such as quarters, rations, clothing, etc.			
Partnership Income	Total income and distributions reflected on last K-1			
VA Disability	Annualized amount received		C	
Social Security, Disability or Pension	Annualized amount received			
Alimony or Child Support	Annualized base amount decreed in court documents			
Dividend or Interest	Include amount reflected on most recent reported tax return. (Note: If asset is being liquidated do not include. If asset is being partially liquidated reduce by % liquidated)			
Stipends	Annualized amount based on most recent award letter			
Unemployment	Include unemployment income when there is recurrence (i.e. seasonal worker) and reflect total amount received over the last 52 weeks			
Public Assistance	Annualized amount based on most recent award letter			
Subject Property Rental Income	Include 75% of gross rent based on (a) market rent or (b) lease agreement			
Other	Annualized amount received			
Total Gross Annual Household Income				D
Total number of people in household				E
Vermont Housing Finance Agency program income limit				

**Note: If a borrower, co-borrower or non-borrowing spouse has more than one source for any income type, complete the calculations (as applicable) for each income type and enter the sum of all income sources in the appropriate field.

Acquisition Cost
 Complete this section for the total value of the subject property:

Type of Value	How to Calculate	Value
Purchase Price	Purchase price reflected on the purchase and sale agreement (or addenda)	
Repairs	Add any acceptable, suitable and reasonable improvements that will be made by the borrower to the property and are not factored into the purchase price. (Maximum of \$15,000 may be included in the mortgage loan)	F
Community Land Trust	Add the result: multiply the full monthly lease fee or stewardship fee by 12 and divide by the VHFA interest rate	
Personal Property	Subtract value of any personal property included in the sale (i.e. lawn tractor, above ground pool, any non-standard item that will convey with the sale above what is considered normal and customary)	
Total Acquisition Cost		
Vermont Housing Finance Agency program purchase price limit		

Lender verification:

(Signature) _____ (Date) _____
 (Printed Name) **H** _____ (Title) _____
 (Lending Institution) _____

VHFA Income and Acquisition Cost Worksheet 5-601 Page 1 of 2 Rev: 2019/09/01

Completion Instructions

- A** ☐ Input borrower name(s)
- B** ☐ Input subject property address and VHFA Loan Number
- C** ☐ Complete the income information for borrower(s) and non-borrowing spouse (if applicable) using the calculation instruction provided.
☐ Totals will populate automatically
- D** ☐ Input number of persons in family
- E** ☐ Enter VHFA program income limit
- F** ☐ Complete the acquisition cost fields as applicable using the instruction provided, the Total Acquisition Cost will automatically populate.
- G** ☐ Enter VHFA program purchase price limit
- H** ☐ Send copy of completed form to VHFA with the pre-closing Compliance Submission

Federal Act Income & Acquisition Cost Worksheet – Page 2 of 2

Supporting Income Documentation

When a file is submitted to VHFA for a pre-closing compliance review, income documents are required to support the calculations reflected on the prior page. The following summarizes the standard income documents needed for each type of income. *VHFA reserves the right to request additional documents:

Type of Income	Minimum Documentation Required by VHFA*
Regular Salaried or Hourly Wage	<input type="checkbox"/> Most recent 3 years tax returns with all schedules <input type="checkbox"/> Most recent W-2 <input type="checkbox"/> 2 most recent paystubs <input type="checkbox"/> Verification of Employment <input type="checkbox"/> Most recent contract (for contracted field positions)
Self-Employed	<input type="checkbox"/> Most recent 3 years tax returns with all schedules <input type="checkbox"/> YTD P&L after March 31
Military	<input type="checkbox"/> Most recent 3 years tax returns with all schedules <input type="checkbox"/> 2 most recent leave and earnings statements
Partnership Income	<input type="checkbox"/> Most recent 3 years tax returns with all schedules <input type="checkbox"/> Most recent K-1 <input type="checkbox"/> Most recent 2 years corporate tax returns with all schedules
VA Disability	<input type="checkbox"/> Certificate of Eligibility (if underlying product is VA) <input type="checkbox"/> Award letter or most recent bank statement with VA auto deposit (if underlying product is conventional, RD or FHA)
Social Security, Disability or Pension	<input type="checkbox"/> Most recent 3 years tax returns with all schedules <input type="checkbox"/> Most recent award letter
Alimony or Child Support	<input type="checkbox"/> Most recent 3 years tax returns with all schedules <input type="checkbox"/> Divorce Decree <input type="checkbox"/> Child Support Order
Dividend or Interest	<input type="checkbox"/> Most recent 3 years tax returns with all schedules
Stipends	<input type="checkbox"/> Most recent 3 years tax returns with all schedules <input type="checkbox"/> Most recent contract, paystub or award letter
Unemployment	<input type="checkbox"/> Most recent 3 years tax returns with all schedules <input type="checkbox"/> Most recent 1099-G
Public Assistance	<input type="checkbox"/> Most recent 3 years tax returns with all schedules <input type="checkbox"/> Most recent award letter
Subject Property Rental Income	<input type="checkbox"/> Appraisal or Lease
Other	<input type="checkbox"/> Most recent 3 years tax returns with all schedules <input type="checkbox"/> Most recent documentation supporting the income

VHFA Income and Acquisition Cost Worksheet S-601

Page 2 of 2

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Completion Instructions

- ☐ No action needed for this page, this is the minimum list of income documents required by VHFA to support the income calculations on the prior page.

VERMONT HOUSING FINANCE AGENCY MORTGAGE CREDIT CERTIFICATE COMPLIANCE AFFIDAVIT

Mortgage Borrower Name: JOHN DOE VHFA Loan Number: 01234567
 Mortgage Co-Borrower Name: JANE DOE
 Mortgage/Non-Borrowing Spouse Name: JACOB DOE

The Vermont Housing Finance Agency uses funds from tax exempt bonds to finance mortgage loans. This executed affidavit is intended to satisfy the tax exempt bond requirements outlined in the Internal Revenue Code. In the case of all borrowers and any non-borrowing spouse, statements made throughout this affidavit in the singular include the plural. The undersigned certifies that:

1. PROPERTY TYPE and REQUIREMENTS

A. The Property for which the Mortgage Credit Certificate (MCC) is being requested is located within the State of Vermont at the following address: 12345 MAIN STREET, CITY, VT 05432
 (Street Address, City, State, Zip Code)

B. The Property is one of the following:

- Existing or newly constructed (never occupied) residence consisting of one dwelling (non-manufactured housing).
- New or existing condominium unit that meets the eligibility requirements of the applicable agency.
- Existing 2-family, both units have been existing and been occupied as residential units for at least five (5) years before the loan closing date of the mortgage loan. Line B below applies only to one dwelling unit within the 2-family, which is intended for my/our personal occupancy.
- Existing or newly constructed (never occupied) permanently affixed manufactured home on owned land that was manufactured in the year 2000 or more recently.

C. I will occupy the Property as my principal and permanent place of residence within 60 days after the loan closing date, and thereafter continually occupy the Property as my principal and permanent residence for the life of the mortgage loan.

D. I have no present intent to lease (except for 2-family units), sell, assign or transfer any interest in the Property to another party and have not entered into any agreement, understanding or other arrangement to lease, sell, assign or transfer the Property.

E. Except for 2-family units, I will not use more than 15 percent (15%) of the total area of the Property for home business or commercial use and not more than 15 percent (15%) of the costs of the Property will be deducted as a home business or commercial expense on my Federal income tax return.

F. I confirm that the Property as described above does not include more than 15 acres of land and I will not use the Property as a recreational, seasonal or part-time Property, or as an investment property and do not intend to farm the land and will not receive, other than incidentally, any income from the Property or the land, and I will not subdivide the land, nor apply for a zoning variance to avoid any minimum lot size requirements.

G. I certify that the cost of acquiring the Property has been fully disclosed to the lender and is within the Acquisition Cost limits established by Vermont Housing Finance Agency. I certify that there are no other side agreements pertaining to the Property purchase.

2. OTHER REAL ESTATE OWNED

I will not at the time of the loan closing date have an ownership interest in any real estate other than the Property securing the mortgage loan with the exception of the following:

- Vacant land
- A property that is unsuitable for year-round occupancy and was never occupied as a Property.
- Commercial or industrial property that has no residential units.
- A single-wide mobile home in a park that is not permanently affixed to land per VHFA's requirements.
- Named on the deed of a parental home that is currently being occupied by a living parent(s) that I/we have not resided in as my/our principal Property nor claimed any tax benefit for.

VHFA MCC Compliance Affidavit #MCC-2014A

Page 1 of 4

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Completion Instructions

A

- ☐ Borrower name, co-borrower and non-borrowing spouse name and VHFA Loan Number will automatically populate when this form is accessed from the Loan Detail/Print Documents queue.
- ☐ If this form is accessed from the Guides, Forms and Resources/Forms library borrower name, co-borrower and non-borrowing spouse name and VHFA Loan Number will need to be entered.

B

- ☐ Subject property address will automatically populate when this form is accessed from the Loan Detail/Print Documents queue.
- ☐ If this form is accessed from the Guides, Forms and Resources/Forms library property address will need to be entered.

3. NEW MORTGAGE REQUIREMENT AND USE OF PROCEEDS

No part of the proceeds of the mortgage loan will be used directly or indirectly to repay any existing loan made in connection with the Property, except construction loans, bridge loans or similar temporary initial financing having a term of twenty-four (24) months or less.

4. HOUSEHOLD SIZE AND INCOME

A. My gross annual household income does not exceed the income limit established by Vermont Housing Finance Agency for the size of my household and the county or MSA in which the Property is located based on the table below. All sources of income must be disclosed to the lender, including any known increases in income expected to occur within sixty (60) days of the loan closing. All sources of income must be disclosed, including but not limited to: gross base pay, overtime, part-time or second income, bonuses, dividends, interest income, disability, social security, unemployment, pension, rental income, alimony, child support, self-employment or public assistance.

B. I acknowledge that I must furnish the lender copies of the filed Federal Income Tax Returns including all amendments signed by me for the three (3) previous years. If I was not required to file a Federal Income Tax return during the past three (3) years, the year(s) is/are _____ and the reason(s) is/are _____

C. If any of the returns show deductions for mortgage interest or property tax expenses, the year(s) is/are _____ and the reason(s) is/are _____

Standalone MCC Income and Purchase Price Limits				
County	Income Limit 2 or fewer person household	Income Limit 3 or more person household	Purchase Price Limit 1 unit	Purchase Price Limit 2 unit
Addison	\$79,500	\$90,000	\$270,000	\$340,000
Bennington	\$79,500	\$90,000	\$270,000	\$340,000
Caledonia	\$90,000	\$98,000	\$300,000	\$350,000
Chittenden	\$90,000	\$98,000	\$300,000	\$350,000
Essex	\$90,000	\$98,000	\$300,000	\$350,000
Franklin	\$95,000	\$110,000	\$300,000	\$350,000
Grand Isle	\$90,000	\$98,000	\$300,000	\$350,000
Lamoille	\$90,000	\$98,000	\$300,000	\$350,000
Orange	\$90,000	\$98,000	\$300,000	\$350,000
Orleans	\$90,000	\$98,000	\$300,000	\$350,000
Rutland	\$90,000	\$98,000	\$300,000	\$350,000
Washington	\$90,000	\$110,000	\$300,000	\$350,000
Windham	\$90,000	\$98,000	\$300,000	\$350,000
Windsor	\$79,500	\$90,000	\$270,000	\$340,000
Burlington Census Tracts 4 & 10	\$95,000	\$110,000	\$300,000	\$350,000

5. FIRST-TIME BUYER REQUIREMENT (this section applies if the Property is located in Addison, Bennington, Chittenden, Grand Isle or Windsor counties only)

Borrower and any Non-Borrowing Spouse must not have held an ownership interest in, or received spousal benefit from, a principal residence for the most recent three (3) year period if the Property is located in: Addison, Bennington, Chittenden, Grand Isle or Windsor counties. There are two exceptions to this requirement:

- The Property being purchased by me is located in census tract 4 or 10 in Burlington (Chittenden County).
- I represent that I have served in active duty and have been honorably discharged from armed services within the last 25 years and meet the definition of veteran and have provided such evidence to the lender.

Completion Instructions

C

Information entered in limited instances where borrower, co-borrower or non-borrowing spouse did not file a tax return in the prior 3 years. To enter information in this field the form will need to be accessed from the Guides, Forms and Resources/Forms library.

☐ Enter the year(s) taxes were not filed and reason.

D

Information entered in limited instances where borrower, co-borrower or non-borrowing spouse filed any mortgage interest deduction in the prior 3 years. To enter information in this field the form will need to be accessed from the Guides, Forms and Resources/Forms library.

☐ Enter the year(s) mortgage interest was deducted and reason.

Completion Instructions

☐ This page does not require any input

6. NON-BORROWING SPOUSE (as applicable)

A non-borrowing spouse (spouse includes civil union partner) must provide federal tax returns for the three (3) previous tax years preceding the year in which the mortgage loan is to be closed, regardless of the property location.

- ☐ I, a non-borrowing spouse have provided the lender with my federal tax returns for the three (3) previous tax years preceding the year in which the mortgage loan is to be closed.

7. FEDERAL RECAPTURE TAX

Mortgage Credit Certificates are subject to a Federal Recapture Tax due to the source of funding. There is no way to predict if you will owe any recapture tax since it is based on how long you own the home, your income and family size at the time you sell or dispose of the property and the amount of profit on the sale, if any. You are required to pay a federal recapture tax at the time you sell or dispose of your property only if all of the following are met:

- The property is sold within (9) years from the loan closing date of the mortgage loan, AND
- Your income exceeds limits that are set for the year in which you sell the property and family size. The y are not the same limits used for MCC approval. VHFA will not verify your income on an annual basis. Your income for the year in which you sell or dispose of the property will determine if you are liable for federal recapture tax, AND
- At the time the property is sold or disposed, you make a profit. You may be subject to the federal recapture tax based on the lesser of 6.25% of the original mortgage loan amount or 50% of the profit received from the sale of your home.

8. I/We consent to the disclosure of my/our nonpublic personal information to Vermont Housing Finance Agency, its underwriters and servicers who may be unaffiliated third parties for purposes of doing all things related to the mortgage loan for which I/we have applied, including, but not limited to, regulatory compliance, origination, purchasing and servicing.
9. I/We declare that the foregoing representations are true and correct and understand that if I/we made any material misstatements or omissions in the foregoing representations, it will be considered a default under the Mortgage and MCC and possibly a criminal offense.
10. I/We certify that no portion of the financing of the acquisition of the residence is or will be provided from the proceeds of a qualified mortgage bond or a qualified veteran's mortgage bond. No portion of the mortgage for the residence has been provided by person related to me/us (as defined pursuant to Section 1.25 3T(n)), or has or is expected to have, an interest as a creditor in the mortgage loan being acquired for the residence.
11. I/We understand and agree that if an MCC is issued to me/us, it cannot be transferred or assumed.
12. I/We understand and agree that I/we may seek financing from any lender of my choosing provided that the lender has signed the Lender Participation Agreement required by VHFA and that I/we am/are in no way prohibited from seeking financing from any particular lender, so long as the lender executes and complies with the terms of the Lender Participation Agreement.
13. I/We acknowledge and understand that this Affidavit will be relied upon for purposes of determining my/our eligibility for MCC. I/We acknowledge that a material misstatement negligently made in this Affidavit or in any other statement made by me/us in connection with an application for an MCC will constitute and also result in a federal violation punishable by a fine of \$1,000.00; and a material misstatement fraudulently made in this Affidavit or in any other statement made by me/us in connection with application for an MCC will constitute a federal violation punishable by a fine of \$10,000.00 and also a revocation of the MCC and any other criminal penalty imposed by law. In addition, any material misstatement or false statement which affects my/our eligibility for an MCC will result in denial of my/our application for an MCC, or, if an MCC has been issued prior to discovery of the false statement, cause immediate cancellation of the MCC issued and the resulting thereof.

E

Mortgagor/Borrower Name

Mortgagor/Co-Borrower/Non-Borrowing Spouse Name

F

Mortgagor/Co-Borrower/Non-Borrowing Spouse Name

Mortgagor/Co-Borrower/Non-Borrowing Spouse Name

Lender verification:
The Lender declares that the foregoing certifications were reviewed by each borrower and any non-borrowing spouse and each borrower and any non-borrowing spouse acknowledged that review as evidenced by the signature above.

(Signature)

(Date)

(Printed Name)

(Title)

(Lending Institution)

VHFA MCC Compliance Affidavit #MCC-2014A

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Completion Instructions

E

☐ Borrower(s) and Non-Borrowing Spouse (if applicable) sign the form

F

☐ Enter name, title and lending institution for the individual who signs and dates the form.

☐ Send original or copy of the completed form to VHFA with the pre-closing Compliance Submission

Mortgagor Disclosure of Recapture Tax - Page 1 of 2

Mortgagor/Borrower Name: JANE DOE
Mortgagor/Co-Borrower Name: JOHN DOE
Mortgagor/Non-Borrowing Spouse Name: _____
Property Address: 123 MAIN ST, CITY, VT 05432 VHFA Loan Number: 01234567

VERMONT HOUSING FINANCE AGENCY

NOTICE OF POTENTIAL RECAPTURE TAX ON SALE OF HOME

Because you are receiving a mortgage loan from the proceeds of a tax-exempt bond or a Mortgage Credit Certificate, the benefit you receive of either a lower interest rate than is customarily charged or an annual tax credit may be recaptured by the Internal Revenue Service in the event you sell or otherwise dispose of your home during the next nine years.

The recapture is accomplished by an increase in your federal income tax for the year in which you sell or dispose of your home. The recapture only applies if you sell your home during the next nine years at a gain and if your income exceeds the Adjusted Qualifying Income reflected on the table included in this notice. The Internal Revenue Service Form 8828 must be completed and returned with your federal tax return for the tax year that you sell or dispose of your home.

You may wish to consult a tax advisor or the local office of the Internal Revenue Service at the time you sell or dispose of your home to determine the amount, if any, of the recapture tax. In this notice you are being given additional information that will be needed to calculate the recapture tax.

If you are required to pay recapture tax, you may be eligible for reimbursement from the Vermont Housing Finance Agency (VHFA). A reimbursement request can be submitted to VHFA after the tax is paid and no later than December 31 of the calendar year immediately following the tax year that the recapture tax was due and paid. A reimbursement request can be accessed on www.vhfa.org or by contacting VHFA at 800-339-5866 or homeownershipdept@vhfa.org.

NOTICE OF MAXIMUM RECAPTURE TAX AND OF METHOD TO COMPUTE RECAPTURE TAX UPON SALE OF HOME

A. Introduction.

1. General. When you sell your home, you may have to pay a recapture tax as calculated below. The recapture tax may also apply if you dispose of your home in some other way. Any references in this Notice to the "sale" of your home also includes other ways of disposing of your home. For instance, you may owe the recapture tax if you give your home to a relative.
2. Exceptions. In the following situations, no recapture tax is due and you do not need to do the calculations:
 - a) You dispose of your home later than nine years after you close your mortgage loan;
 - b) Your home is disposed of as a result of your death;
 - c) You transfer your home either to your spouse or to your former spouse incident to divorce;
 - d) You dispose of your home at no gain or at a loss;
 - e) Your income is below the adjusted federal qualifying income listed in the attached Adjusted Qualifying Income Table for the county in which the property is located.

B. Maximum Recapture Tax. The maximum recapture tax that you may be required to pay is 6.25% of the highest principal amount of your mortgage loan and is your Federally Subsidized Amount with respect to the loan.

C. Actual Recapture Tax. The actual recapture tax, if any, can only be determined when you sell your home, and is the lesser of 50% of your gain on the sale of your home, regardless of whether you have to include that gain in your income for federal income tax purposes, or your recapture amount determined as follows: the maximum recapture tax (as described above) multiplied by the holding period percentage, as listed in the attached tables.

D. Limitations and Special Rules on Recapture Tax.

1. If you give your home away (other than to your spouse or ex-spouse incident to divorce), you must determine your actual recapture tax as if you had sold your home for its fair market value.
2. If your home is destroyed by fire, storm, flood, or other casualty, there generally is no recapture tax if, within two years, you purchase additional property for, or reconstruct, your principal residence on the site of the home financed with your original subsidized mortgage loan.
3. In general, except as may be provided in future regulations, if two or more persons own a home and are jointly liable for the subsidized mortgage loan, the actual recapture tax is determined separately for each person based on his or her interest in the home.

Completion Instructions

A

- ☐ Borrower name, co-borrower and non-borrowing spouse name, subject property address and VHFA Loan Number will automatically populate when this form is accessed from the Loan Detail/Print Documents queue.
- ☐ If this form is accessed from the Guides, Forms and Resources/Forms library borrower name, co-borrower and non-borrowing spouse name and VHFA Loan Number will need to be entered.

Mortgagor Disclosure of Recapture Tax - Page 2 of 2

4. If you repay your loan in full during the first four years of the nine year recapture period and you sell your home during the next five years of this period, your Holding Period Percentage may be reduced under the special rule in Section 143(m)(4)(C)(ii) of the Internal Revenue Code.

You should consult with a tax advisor or the local office of the Internal Revenue Service when you sell or otherwise dispose of your home to determine the amount, if any, of your actual Recapture Tax. See Section 143(m) of the Internal Revenue Code generally. VHFA does not provide tax advice or guidance, and no information included in this document should be construed as such.

RECAPTURE TAX ADJUSTED QUALIFYING INCOME TABLE

Effective May 17, 2019

County	Family Size of 1 or 2				Family Size of 3 or More			
Addison, Bennington and Windsor	Year 0-1	\$79,700	Years 5-6	\$101,719	Year 0-1	\$91,655	Years 5-6	\$116,977
	Years 1-2	\$83,683	Years 6-7	\$106,805	Years 1-2	\$96,237	Years 6-7	\$122,826
	Years 2-3	\$87,889	Years 7-8	\$112,145	Years 2-3	\$101,049	Years 7-8	\$128,967
	Years 3-4	\$92,263	Years 8-9	\$117,753	Years 3-4	\$106,102	Years 8-9	\$135,416
	Years 4-5	\$96,875			Years 4-5	\$111,507		
Caledonia, Essex, Lamoille, Orange, Orleans, Rutland, Washington and Windham	Year 0-1	\$95,640	Years 5-6	\$122,063	Year 0-1	\$111,580	Years 5-6	\$142,407
	Years 1-2	\$100,422	Years 6-7	\$128,166	Years 1-2	\$117,159	Years 6-7	\$149,027
	Years 2-3	\$105,443	Years 7-8	\$134,575	Years 2-3	\$123,016	Years 7-8	\$157,004
	Years 3-4	\$110,715	Years 8-9	\$141,305	Years 3-4	\$129,187	Years 8-9	\$164,854
	Years 4-5	\$116,251			Years 4-5	\$135,636		
Chittenden and Grand Isle	Years 0-1	\$91,800	Years 5-6	\$117,162	Years 0-1	\$105,570	Years 5-6	\$134,797
	Years 1-2	\$96,390	Years 6-7	\$123,020	Years 1-2	\$110,848	Years 6-7	\$141,473
	Years 2-3	\$101,209	Years 7-8	\$129,171	Years 2-3	\$116,390	Years 7-8	\$148,574
	Years 3-4	\$106,269	Years 8-9	\$135,630	Years 3-4	\$122,210	Years 8-9	\$155,974
	Years 4-5	\$111,583			Years 4-5	\$128,320		
Franklin and Burlington Targeted Area (Census Tract 4 and 10)	Years 0-1	\$110,160	Years 5-6	\$140,595	Years 0-1	\$128,520	Years 5-6	\$164,027
	Years 1-2	\$115,668	Years 6-7	\$147,624	Years 1-2	\$134,946	Years 6-7	\$172,228
	Years 2-3	\$121,451	Years 7-8	\$155,006	Years 2-3	\$141,693	Years 7-8	\$180,840
	Years 3-4	\$127,523	Years 8-9	\$162,756	Years 3-4	\$148,777	Years 8-9	\$189,882
	Years 4-5	\$133,900			Years 4-5	\$156,216		

RECAPTURE TAX HOLDING PERIOD PERCENTAGE

Effective May 17, 2019

Years 0-1	20%
Years 1-2	40%
Years 2-3	60%
Years 3-4	80%
Years 4-5	100%
Years 5-6	80%
Years 6-7	60%
Years 7-8	40%
Years 8-9	20%

I received and signed the Acknowledgement of Federal Recapture Tax Requirements and received this Notice at the closing our loan. I have read the requirements concerning recapture of federal subsidies and understand that if I sell, transfer or otherwise dispose of the home within 9 years after the date of our loan closing, I have the responsibility of computing and paying any recapture tax amount due to the Internal Revenue Service and to be considered for reimbursement of any legitimate amount paid, I will follow the requirements set forth by VHFA.

Date _____

Mortgagor/Borrower

Date _____

Mortgagor/Co-Borrower/Non-Borrowing Spouse Name

Completion Instructions

B

- ☐ Print form. Borrower(s) and non-borrowing spouse (s)(if applicable) sign and date form.



VHFA Form Completion Guidance

MCC

CLOSING

Reaffirmation of Affidavit

**VERMONT HOUSING FINANCE AGENCY
REAFFIRMATION AND CLOSING AFFIDAVIT**

Mortgagor/Borrower Name: JANE DOE
 Mortgagor/Co-Borrower Name: JOHN DOE
 Mortgagor/Non-Borrowing Spouse Name: _____
 Property Address: 123 MAIN STREET, CITY, VT 05432 **A** VHFA Loan Number: 01234567

In the case of all borrowers and any non-borrowing spouse, statements made throughout this affidavit in the singular include the plural. I, the undersigned, as part of my application for a first mortgage loan (the "Loan") financed by Vermont Housing Finance Agency ("VHFA"), and/or an ASSIST mortgage ("ASSIST") and/or a Mortgage Credit Certificate ("MCC") and as a material inducement to VHFA to finance the Loan, and/or ASSIST and/or issue the MCC to me, being first duly sworn, state the following:

1. Each borrower and any non-borrowing spouse, if applicable, must **initial one statement only A or B:**

(A) _____, I have reviewed the applicable Affidavit previously executed as part of my application for
 (Initial) (Initial)
 the Loan and/or ASSIST and/or a **B** and declare that there has been no change in the facts and that the statements therein remain true and accurate.

(B) _____, I have reviewed the applicable Affidavit previously executed as part of my application
 (Initial) (Initial)
 for the Loan, and/or ASSIST, and/or MCC and declare that the statements therein remain true and accurate except as to the following changes in the facts:

2. I certify that the total acquisition cost of the Property does not exceed the acquisition cost limits established by Vermont Housing Finance Agency and there are no other side agreements pertaining to this transaction.

3. I certify that my gross annual household income does not exceed the income limit established by Vermont Housing Finance Agency for the county or MSA in which the Property is located.

4. In addition, I hereby reaffirm my acknowledgements made in the Affidavits and/or Certifications previously executed.

5. I acknowledge and understand that this Reaffirmation will be relied upon for purposes of determining my/our eligibility for the Loan and/or ASSIST and/or a MCC. I acknowledge that a material misstatement made fraudulently or negligently in this Reaffirmation or any other statement made by me/us in connection with an application for the Loan and/or ASSIST and/or a MCC may constitute a violation of state and/or federal law punishable by fines or other penalties imposed by law.

Mortgagor/Borrower **C** Non-Borrowing Spouse _____
 Mortgagor/Co-Borrower _____ Non-Borrowing Spouse _____
 STATE OF VERMONT
 _____ COUNTY, SS.
 At _____, in said County, this _____ day of _____
 _____, 20____, before me personally appeared the above named Applicant(s) and/or Non-Borrowing Spouse known to me as the person(s) who executed the foregoing instrument, and he/she thereupon duly acknowledged to me that he/she executed the same as his/her free act and deed.
 Before me, **D** _____
 Notary Name: _____
 Notary Public
 Notary Commission Number: _____
 My commission expires _____

5645-mha VHFA Reaffirmation Rev. 2019 09 01

Completion Instructions

- A** ☐ Borrower(s) and non-borrowing spouse name, VHFA Loan Number will be automatically populated when this form is accessed from the Loan Detail/Print Documents queue.
- ☐ If this form is accessed from the Guides, Forms and Resources/Forms library borrower name, co-borrower and non-borrowing spouse name and VHFA Loan Number will need to be entered.

- ☐ Print off form. Borrower(s) and non-borrowing spouse initial one section only:

If...	Then...
No change since ADVANTAGE Compliance Affidavit signed...	Initial Section A
Change(s) since ADVANTAGE Compliance Affidavit signed...	Initial Section B and summarize changes in space provided

- C** ☐ Borrower(s) and any non-borrowing spouse sign in the presence of a notary
- D** ☐ Notary signs and completes notary signature block

Notice to Holder

VERMONT HOUSING FINANCE AGENCY MORTGAGE CREDIT CERTIFICATE NOTICE TO HOLDER

The undersigned applicant and proposed Holder of a Mortgage Credit Certificate (MCC) issued by Vermont Housing Finance Agency (VHFA) do hereby certify of being informed, understanding and consenting to the following terms and conditions under which a MCC is issued.

1. I/We understand that the decision to finance the purchase of the residence is completely within the discretion of the lender that I/we have applied to and that I/we are not prohibited from nor required to seek financing from any particular lender that is participating in the VHFA MCC program.
2. I/We understand that if issued, the MCC will entitle me/us to an annual federal income tax credit equal to thirty percent (30%) of the interest paid or accrued on said financing but not more than the amount which would reduce my/our federal tax income tax liability to zero (0) for any year.
3. I/We understand that a MCC will not be issued if any financing for the purchase of the residence is obtained from a qualified mortgage bond or qualified veterans mortgage bond or if any person related to me/us has an interest as a creditor in the financing.
4. I/We understand that if a MCC is issued then the original MCC issued is required documentation for filing my/our annual federal income tax returns and that I/we are responsible for the original MCC.
5. I/We understand that VHFA will not provide tax advice or guidance on our ability to benefit from a MCC or on the completion of any and all required tax forms.
6. I/We understand that if I/we choose to replace the original financing the MCC was based on, then the MCC will not be renewed, reissued or replicated and the tax benefit will no longer be in effect.
7. I/We understand that the benefit of the MCC is personal to me/us and cannot be transferred to or assumed by anyone else.
8. Applicant's mailing address to where the original MCC is to be mailed:

A

B

Printed Name of Applicant

Printed Name of Applicant

C

Signature of Applicant

Signature of Applicant

Date:

Date:

VHFA Form # MCC-2014B

Rev: 01/01/2019

Completion Instructions

A

☐ Input mailing address for borrower after closing

B

☐ Input borrower(s) name(s)

C

☐ Borrower(s) sign and date at closing

☐ Send original or copy of the completed form to VHFA after closing